

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

MOTION NO. 23-482

APPROVING CONTRACT BETWEEN NORTH SOUND BEHAVIORAL HEALTH-ASO
AND SNOHOMISH COUNTY FOR THE CONTINUED IMPLEMENTATION OF THE
RECOVERY NAVIGATOR PROGRAM

WHEREAS, the North Sound Behavioral Health – Administrative Services Office (North Sound BH-ASO) has awarded the Snohomish County Prosecuting Attorney’ Office (PAO) a grant of \$645,000 for the term of July 1, 2023, through June 30, 2024, for the continued implementation of a Recovery Navigator Program (RNP), as part of the Law Enforcement Assisted Diversion (LEAD) Program in Snohomish County; and

WHEREAS, North Sound BH-ASO is a governmental limited liability company formed by an operating agreement (the “Operating Agreement) entered into by five (5) Island County, San Juan County, Snohomish County, Skagit County, and Whatcom County in response to a request for a detailed plan and to contract with the State of Washington to operate as a Regional Support Network until April 1, 2016 and as a Behavioral Health Organization as of April 1, 2016, and as an Administrative Services Organization as of July 1, 2019 as provided for in RCW 71.24.100 and Chapter 25.15; and

WHEREAS, the Operating Agreement provides a means for each of the five (5) counties to share in the cost of behavioral health services, for payment of services and for the audit of funds, as provided for in RCW 71.24.100 and provides for the joint supervision and operation of services and facilities, as provided for in RCW 71.24.110; and

WHEREAS, North Sound BH-ASO anticipates an increased need for behavioral health services in the community and recognizes the need for expansion of services and strengthening of cooperation among service providers to meet this challenge; and

WHEREAS, the parties to this Contract desire to promote the continuity of care for individuals, avoid service disruption, ensure the provision of behavioral health services, and strengthen the regional service network; and

WHEREAS, LEAD and RNP staff provide social services to individuals who intersect with police because of simple drug possession and /or people who have frequent contact criminal legal system contact because of unmet behavioral health needs; and

WHEREAS, the PAO serves as a coordinating entity in the implementation of the RNP and LEAD initiatives which require a collaborative partnership among local law enforcement agencies, mental health providers, prosecutors, defense counsel, and community-based organizations; and

WHEREAS, the PAO, as the coordinating entity, has contracted with the Evergreen Recovery Centers of Everett, Washington, and the Public Defenders Association of Seattle, Washington, to provide effective case management services to RNP and LEAD participants; and

WHEREAS, the grant funds from the North Sound BH-ASO for this contract will “pass through” the PAO’s budget, and will have no fiscal impact on the PAO’s operating budget or its General Fund authorization in 2023 and 2024; and

WHEREAS, the \$645,000 grant award for RNP from the North Sound BH-ASO for 2023-2024 exceeds the PAO’s 2023 Grant Work Plan anticipated grant amount of \$512,455, by more than \$50,000, it is necessary to obtain the County Council’s approval of this new contract with the North Sound BH-ASO;

NOW, THEREFORE, ON MOTION, the Snohomish County Council authorizes the County Executive to sign the attached Contract with the North Sound BH-ASO for the continued implementation of a Recovery Navigator Program in Snohomish County, Washington, not to exceed \$645,000 from July 1, 2023, through June 30, 2024.


DATED this 21st day of November, 2023.

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington



Council Chair

ATTEST:



Deputy Clerk of the Council

**NORTH SOUND
BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION, LLC
(North Sound BH-ASO)**

**CONTRACT
FOR
RECOVERY NAVIGATOR PROGRAM (RNP)
WITH**

SNOHOMISH COUNTY

CONTRACT #NORTH SOUND BH-ASO-SNOHOMISH COUNTY-RNP-23

EFFECTIVE JULY 1, 2023

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1 **EXHIBITS**

2

3 **Incorporation of Exhibits**

4 The Provider shall provide services and comply with the requirements set forth in the following
5 attached exhibits, which are incorporated herein by reference. To the extent that the terms and
6 conditions of any Exhibit conflicts with the terms and conditions of this base contract, the terms of
7 such Exhibit shall control.

8

9 Exhibit A – Supplemental Provider Service Guide [Supplemental Provider Service Guide | North Sound](#)
10 [BH-ASO \(nsbhaso.org\)](#)

11

12 Exhibit B – Budget

13

14 Exhibit C – Recovery Navigator Program (RNP) Uniform Program Standards [Recovery Navigator](#)
15 [uniform program standards \(nsbhaso.org\)](#)

16

17 Exhibit D – Recovery Navigator Program (RNP) Data Collection Workbook (version 6)

18

19 Exhibit E – Provider Deliverables

1 **ARTICLE ONE – DEFINITIONS**

2 For purposes of this Agreement, the following terms shall have the meanings set forth below.

3 **1.1 AGREEMENT**

4 The Contract for participation in the North Sound provider network entered into between
5 North Sound BH-ASO and Provider, including all attachments and incorporated documents or
6 materials, including the RNP Uniform Program Standards which is Exhibit C thereof.
7

8 **1.2 BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION (BH-ASO)**

9 BH-ASO means an entity selected by the Medicaid Agency to administer behavioral health
10 programs, including crisis services for individuals in a fully integrated managed care regional
11 service area. The BH-ASO administers crisis services for all individuals in its defined regional
12 service area, regardless of an individual's ability to pay.
13

14 **1.3 RECOVERY NAVIGATOR SERVICES**

15 Programs to provide social services to individuals who intersect with police because of
16 simple drug possession and /or people who have frequent contact criminal legal system
17 contact because of unmet behavioral health needs. The program is intended to serve
18 people who are at risk of arrest or already have been involved in the criminal legal
19 system.
20

21 **1.4 CRITICAL INCIDENT**

22 A critical incident is a serious or undesirable outcome that occurs in the agency including but
23 not limited to:

- 24 (a) Allegations of abuse, neglect, or exploitation;
- 25 (b) Death, including death by suicide;
- 26 (c) Injuries resulting in admission to a hospital as an inpatient; or
- 27 (d) Outbreak of communicable disease within the agency.

1 **ARTICLE TWO – NETWORK PROVIDER OBLIGATIONS**

2
3 This Agreement, North Sound BH-ASO’s Supplemental Provider Service Guide, Policies and
4 Procedures (P&P), Contract Exhibits, the Contract Boilerplate, and their revisions each specify North
5 Sound BH-ASO’s requirements for the array of services to be provided. Unless otherwise specified,
6 these materials shall be regarded as the source documents for compliance with program
7 requirements. In the event of any inconsistency between the requirements of such documents, the
8 more stringent shall control.

9 **2.1 NETWORK PARTICIPATION**

10 Provider shall participate as part of the North Sound BH-ASO for services specified in this
11 Contract. Provider agrees that its practice information may be used in North Sound BH-ASO
12 and Health Care Authority (HCA) provider directories, promotional materials, advertising and
13 other informational material made available to the public. Such practice information includes,
14 but is not limited to, name, address, telephone number, hours of operation and type of
15 services. Provider shall promptly notify North Sound BH-ASO within 30 days of any changes in
16 this information.

17
18 **2.2 PROMOTIONAL ACTIVITIES**

19 At the request of North Sound BH-ASO, Provider shall display promotional materials in its
20 offices and facilities as practical, in accordance with applicable law and cooperate with and
21 participate in all reasonable marketing efforts. Provider shall not use any North Sound BH-
22 ASO name in any advertising or promotional materials without the prior written permission of
23 North Sound BH-ASO.

24
25 **2.3 LICENSURE, CERTIFICATION AND OTHER STATE AND FEDERAL REQUIREMENTS**

26 Provider’s employees, agents, contractors, and subcontractors providing services under this
27 Agreement shall hold all necessary licenses, certifications, and permits required by law, as
28 applicable, for the performance of services to be provided under this Agreement. Provider’s
29 employees, agents, contractors, and subcontractors providing services under this Agreement
30 shall maintain its licensure and applicable certifications in good standing, free of disciplinary
31 action, and in unrestricted status throughout the term of this Agreement. The loss or
32 suspension of licensure or other applicable certifications, or their exclusion from any federally
33 funded health care program, including Medicare and Medicaid, may constitute cause for
34 immediate termination of this Agreement. Provider warrants and represents that Provider’s
35 employees, agents, contractors, and subcontractors providing services under this Agreement,
36 who are subject to professional licensing requirements, is duly licensed to provide Behavioral
37 Health Services. Provider’s employees, agents, contractors, and subcontractors providing
38 services under this Agreement shall have and maintain in good standing for the term of this
39 Agreement the licenses, permits, registrations, certifications, and any other governmental
40 authorizations to provide such services.

41
42 **2.4 NON-DISCRIMINATION**

1 2.4.1 **Enrollment**

2 Provider shall not differentiate or discriminate in providing services to individuals
3 because of race, color, religion, national origin, ancestry, age, marital status, gender
4 identity, sexual orientation, physical, sensory or mental handicap, socioeconomic
5 status, or participation in publicly financed programs of health care services. Provider
6 shall render services to individuals in the same location, in the same manner, in
7 accordance with the same standards, and within the same time availability regardless
8 of payor.

9
10 2.4.2 **Employment**

11 Provider shall not differentiate or discriminate against any employee or applicant for
12 employment, with respect to their hire, tenure, terms, conditions or privileges of
13 employment, or any matter directly or indirectly related to employment, because of
14 race, color, religion, national origin, ancestry, age, height, weight, marital status,
15 gender identity, sexual orientation, physical, sensory or mental disability unrelated to
16 the individual’s ability to perform the duties of the particular job or position.

17
18 2.5 **NOTICES**

19
20 2.5.1 **Critical Incident Reporting**

21 Provider shall send immediate notification to North Sound BH-ASO of any Critical
22 Incident involving an individual. Notification shall be made during the business day on
23 which Provider becomes aware of the Critical Incident. If Provider becomes aware of a
24 Critical Incident involving an individual after business hours, Provider shall provide
25 notice to North Sound BH-ASO as soon as possible the next business day. Provider
26 shall provide to North Sound BH-ASO all available information related to a Critical
27 Incident at the time of notification, including: a description of the event, the date and
28 time of the incident, the incident location, incident type, information about the
29 individuals involved in the incident and the nature of their involvement; the
30 individual’s or other involved individuals’ service history with Provider; steps taken by
31 Provider to minimize potential or actual harm; and any legally required notification
32 made by Provider. Upon North Sound BH-ASO’s request, and as additional information
33 becomes available, Provider shall update the information provided regarding the
34 Critical Incident and, if requested, shall prepare a written report regarding the Critical
35 Incident, including any actions taken in response to the incident, the purpose for which
36 such actions were taken, any implications to Provider’s delivery system and efforts
37 designed to prevent or lessen the possibility of future similar incidents. Reporting shall
38 comport with North Sound BH-ASO Supplemental Provider Service Guide and
39 applicable P&Ps.

40
41 2.5.2 **Termination of Services**

42 Provider shall provide North Sound BH-ASO at least 90 calendar days written notice
43 before provider, any clinic, or subcontractor ceases to provide services to individuals.

1 **2.5.3 Reporting Fraud**

2 Provider shall comply with chapter 48.135 RCW concerning Insurance Fraud Reporting
3 and shall notify North Sound BH-ASO Compliance Department of all incidents or
4 occasions of suspected fraud, waste, or abuse involving Services provided to an
5 individual. Provider shall report a suspected incident of fraud, waste or abuse,
6 including a credible allegation of fraud, within five (5) business days of the date
7 Provider first becomes aware of, or is on notice of, such activity. The obligation to
8 report suspected fraud, waste, or abuse shall apply if the suspected conduct was
9 perpetrated by Provider, Provider’s employee, agent, subcontractor, or individual.
10 Provider shall establish P&P’s for identifying, investigating, and taking appropriate
11 corrective action against suspected fraud, waste, or abuse. Detailed information
12 provided to employees and subcontractors regarding fraud and abuse P&P’s and the
13 false Claims Act and the Washington false claims statutes RCW Chapter 74.66 and
14 74.09.210. Upon request by North Sound BH-ASO, and/or HCA, Provider shall confer
15 with the appropriate State agency prior to or during any investigation into suspected
16 fraud, waste, or abuse.

17
18 **2.6 PROVIDER TRAINING AND EDUCATION**

19 Upon the request of North Sound BH-ASO, the Provider shall participate in training when
20 required by the North Sound BH-ASO and/or DOC Community Services and Housing Division,
21 Housing Assistance Unit. Requests to allow an exception to participation in a required training
22 must be in writing and include a plan for how the required information will be provided to
23 targeted provider staff.
24

25 **2.7 REPORT DELIVERABLE TEMPLATES**

26 As applicable, templates for all reports that the Provider is required to submit to North Sound
27 BH-ASO are hereby incorporated in Exhibit E of this Contract. North Sound BH-ASO may
28 update the templates from time to time, and any such updated templates will also be
29 incorporated by reference into this Contract. The report templates are located at:
30 <https://www.nsbhaso.org/for-providers/forms>

1 **ARTICLE THREE – RECOVERY NAVIGATOR PROGRAM GUIDELINES (RNP)**

2 Providers shall comply with all the requirements, policies and procedures in the most up-to-date
3 version of the [Recovery Navigator Uniform Program Standards](#).

4
5 The intent of Recovery Navigator Programs is to provide social services to individuals who intersect
6 with police because of simple drug possession (ESB 5476§13) and/or people who have frequent
7 criminal legal system contact because of unmet behavioral healthcare needs. As these Programs
8 develop, many people will be referred to services who need and deserve care. These programs are
9 intended to serve people who are at risk of arrest, or already have been involved in the criminal legal
10 system.

11
12 Recovery Navigator Programs should be designed to serve those who cannot, on their own, grab hold
13 of whatever safety-net services might be locally available. Recovery Navigator programs will establish
14 a new system of response and care for people who live with unmanaged behavioral health needs,
15 deep experiences of complex trauma, cognitive disabilities, persistent poverty, and often lifelong
16 experiences of punishment, failure, betrayal, and marginalization—people who are not served by
17 office-based, appointment-based, time-limited care.

18
19 Coordination and communication between law enforcement, prosecutors, program staff, medical
20 providers, and community partners is essential to the success of these programs

21
22 Eligible Population for Social Service referrals Funded Under This Contract:

- 23
24 • Individuals who intersect with police because of simple drug possession (ESB 5476§13) and/or
25 people who have frequent criminal legal system contact because of unmet behavioral
26 healthcare needs.

27 *See: Uniform Program Standards and Policies*

28
29 Providers shall commit to prioritizing Social Service referrals for the priority populations described
30 below:

- 31
32 • Individuals with substance use disorder and co-occurring substance use disorder and mental
33 health who are at risk of arrest and/or have frequent contact with first responders,
34 community members, friends, family, and who could benefit from being connected to
35 supportive resources and public health services when amenable
36 • Individuals who have frequent criminal legal system contact because of unmet behavioral
37 healthcare needs.
38 • Individuals who are at risk of arrest, or already have been involved in the criminal justice
39 system. Individuals who cannot, on their own, access local safety-net services.
40 • Individuals who are not served by office-based, appointment-based, time-limited care.

41 *See: Exhibit A – Supplemental Provider Service Guide*

1 Providers shall submit the following deliverables on time with truthful, accurate information:

2

- 3 • Recovery Navigator Program Quarterly Data Collection Tools

4 See: *Exhibit D, RNP Data Collection Workbook (version 6)*

1 **ARTICLE FOUR – TERM AND TERMINATION**

2 **4.1 TERM**

3 This Agreement is effective on July 1, 2023, and will remain in effect for an initial term of 1
4 year (Initial Term), after which it will automatically renew for successive terms of 1 year each
5 (Renewal Term), unless this Agreement is sooner terminated as provided in this Agreement or
6 either Party gives the other Party written notice of non-renewal of this Agreement not less
7 than 180 days prior to the end of the current term.

8
9 **4.2 TERMINATION WITHOUT CAUSE**

10 This Agreement may be terminated without cause by either party upon providing at least 90
11 days written notice to the other party.

12
13 **4.3 TERMINATION WITH CAUSE**

14 Either party may terminate this Agreement by providing the other party with a minimum of 10
15 business days prior written notice in the event the other party commits a material breach of
16 any provision of this Agreement. Said notice must specify the nature of said material breach.
17 The breaching party shall have 7 business days from the date of the breaching party’s receipt
18 of the foregoing notice to cure said material breach. In the event the breaching party fails to
19 cure the material breach within said 7 business day period, this Agreement shall automatically
20 terminate upon expiration of the 10 business days’ notice period.

21
22 **4.4 IMMEDIATE TERMINATION**

23 Unless expressly prohibited by applicable regulatory requirements, North Sound BH-ASO may
24 immediately suspend or terminate the participation of a Provider in any or all products or
25 services by giving written notice thereof to Provider when North Sound BH-ASO determines
26 that (i) based upon available information, the continued participation of the Provider appears
27 to constitute an immediate threat or risk to the health, safety or welfare of individual(s), or (ii)
28 Provider’s fraud, malfeasance, or non-compliance with any regulatory requirements is
29 reasonably suspected. During such suspension, the Provider shall, as directed by North Sound
30 BH-ASO, discontinue the provision of all or a particular contracted Service to individual(s).
31 During the term of any suspension, Provider shall notify individual(s) that their status as a
32 Provider has been suspended. Such suspension will continue until the Provider’s participation
33 is reinstated or terminated.

34
35 **4.5 TERMINATION DUE TO CHANGE IN FUNDING**

36 In the event funding from the Health Care Authority, State, Federal, or other sources is
37 withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to
38 its normal completion, either party may terminate this Contract.

39
40 **4.5.1 TERMINATION PROCEDURE**

41 The following provisions shall survive and be binding on the parties in the event this
42 Contract is terminated:
43

- 1 4.5.1.1 Provider’s employees, agents, contractors, and subcontractors providing
2 services under this Agreement shall cease to perform any services required
3 by this Contract as of the effective date of termination and shall comply with
4 all reasonable instructions contained in the notice of termination which are
5 related to the transfer of individuals, distribution of property and
6 termination of services. Each party shall be responsible only for its
7 performance in accordance with the terms of this Contract rendered prior to
8 the effective date of termination. Provider and any applicable
9 subcontractors shall assist in the orderly transfer/transition of the
10 individuals served under this Contract. Provider and any applicable
11 subcontractors shall promptly supply all information necessary for the
12 reimbursement of any outstanding Medicaid claims.
- 13 4.5.1.2 Provider’s employees, agents, contractors, and subcontractors providing
14 services under this Agreement shall immediately deliver to North Sound BH-
15 ASO’s Program Administrator or their successor, all North Sound BH-ASO
16 assets (property) in Provider and any applicable subcontractor’s possession
17 and any property produced under this Contract. Provider and any applicable
18 subcontractors grant North Sound BH-ASO the right to enter upon Provider
19 and any applicable subcontractor’s premises for the sole purpose of
20 recovering any North Sound BH-ASO property that Provider and any
21 applicable subcontractors fails to return within 10 business days of
22 termination of this Contract. Upon failure to return North Sound BH-ASO
23 property within 10 business days of the termination of this Contract,
24 Provider and any applicable subcontractors shall be charged with all
25 reasonable costs of recovery, including transportation and attorney’s fees.
26 Provider and any applicable subcontractors shall protect and preserve any
27 property of North Sound BH-ASO that is in the possession of Provider and
28 any applicable subcontractors pending return to North Sound BH-ASO.
- 29 4.5.1.3 North Sound BH-ASO shall be liable for and shall pay for only those services
30 authorized and provided through the date of termination. North Sound BH-
31 ASO may pay an amount agreed to by the parties for partially completed
32 work and services, if work products are useful to or usable by North Sound
33 BH-ASO.
- 34 4.5.1.4 If the North Sound BH-ASO’s Program Administrator terminates this Contract
35 for default, North Sound BH-ASO may withhold a sum from the final
36 payment to Provider that North Sound BH-ASO determines is necessary to
37 protect North Sound BH-ASO against loss or additional liability occasioned by
38 the alleged default. North Sound BH-ASO shall be entitled to all remedies
39 available at law, in equity, or under this Contract. If it is later determined
40 Provider was not in default, or if Provider terminated this Contract for
41 default, Provider shall be entitled to all remedies available at law, in equity,
42 or under this Contract.
- 43

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Should the contract be terminated by either party, North Sound BH-ASO will require the spend-down of all remaining reserves and fund balances within the termination period. Funds will be deducted from the final months' payments until reserves and fund balances are spent. Should the contract be terminated by either party, Provider shall be responsible to provide all behavioral health services through the end of the month for which they have received payment.

1 **ARTICLE FIVE – FINANCIAL TERMS AND CONDITIONS**

2 **5.1 GENERAL FISCAL ASSURANCES**

3 Provider shall comply with all applicable laws and standards, including Generally Accepted
4 Accounting Principles and maintain, at a minimum, a financial management system that is a
5 viable, single, integrated system with sufficient sophistication and capability to effectively and
6 efficiently process, track and manage all fiscal matters and transactions. The parties’
7 respective fiscal obligations and rights set forth in this section shall continue after termination
8 of this Contract until such time as the financial matters between the parties resulting from this
9 Contract are completed.

10
11 **5.2 FINANCIAL ACCOUNTING REQUIREMENTS**

12 Provider shall:

13
14 5.2.1 Limit Administration costs to no more than 10% of the annual revenue supporting the
15 public behavioral health system operated by Provider. Administration costs shall be
16 measured on a fiscal year basis and based on the information reported in the Revenue
17 and Expenditure Reports and reviewed by North Sound BH-ASO.

18 5.2.2 The Provider shall establish and maintain a system of accounting and internal controls
19 which complies with generally accepted accounting principles promulgated by the
20 Financial Accounting Standards Board (FASB), the Governmental Accounting Standards
21 Board (GASB), or both as is applicable to the Provider’s form of incorporation.

22 5.2.3 Ensure all North Sound BH-ASO funds, including interest earned, provided pursuant to
23 this Contract, are used to support the public behavioral health system within the
24 Service Area;

25 5.2.4 Produce annual, audited financial statements upon completion and make such reports
26 available to North Sound BH-ASO upon request.

27
28 **5.2.4.1 Financial Reporting**

29 Provider shall provide the following reports to North Sound BH-ASO:

30 5.2.4.1.1 The North Sound BH-ASO shall reimburse the Provider for
31 satisfactory completion of the services and requirements
32 specified in this Contract and its attached exhibit(s).

33 5.2.4.1.2 The Provider shall submit invoices for all completed months of
34 service between the effective date of this Contract and its
35 execution, within 30 days of execution, and thereafter Provider
36 shall submit an invoice within 45 days from the service month
37 (i.e., services in June invoiced on or before August 1st) or as soon
38 thereafter as is practicable. along with all accompanying reports
39 as specified in the attached exhibit(s), including its final invoice
40 and all outstanding reports. The North Sound BH-ASO shall
41 initiate authorization for payment to the Provider not more than
42 30 days after a timely, complete and accurate invoice is received.

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5.2.4.1.3 The Provider shall submit its final invoice and all outstanding reports as specified in this contract and its attached exhibit(s). If the Provider's final invoice and reports are not submitted as specified in this contract and its attached exhibit(s), the North Sound BH-ASO will be relieved of all liability for payment to the Provider of the amounts set forth in said invoice or any subsequent invoice.

1 **ARTICLE SIX – OVERSIGHT AND REMEDIES**

2 **6.1 OVERSIGHT AUTHORITY**

3 North Sound BH-ASO, HCA, DSHS, Office of the State Auditor, the Department of Health
4 (DOH), the Comptroller General, or any of their duly-authorized representatives have the
5 authority to conduct announced and unannounced: a) surveys, b) audits, c) reviews of
6 compliance with licensing and certification requirements and compliance with this Contract,
7 d) audits regarding the quality, appropriateness and timeliness of behavioral health services of
8 Provider and subcontractors and e) audits and inspections of financial records of Provider and
9 subcontractors related to the performance of this Agreement.

10
11 Provider shall notify North Sound BH-ASO when an entity other than North Sound BH-ASO
12 performs any audit described above related to any activity contained in this Contract.

13
14 In addition, North Sound BH-ASO will conduct reviews in accordance with its oversight of
15 resource, utilization and quality management, as well as, ensure Provider has the
16 administrative and fiscal structures to enable them to perform in accordance with the terms
17 of the contract. Such reviews may include, but are not limited to: program integrity,
18 administrative structures reviews, fiscal management and contract compliance. Reviews may
19 include desk reviews, requiring Provider to submit requested information. North Sound BH-
20 ASO will also review any activities delegated under this contract to Provider.

21
22 **6.2 REMEDIAL ACTION**

23 North Sound BH-ASO may require Provider to plan and execute corrective action. Corrective
24 Action Plan (CAP) developed by Provider must be submitted for approval to North Sound BH-
25 ASO within 30 calendar days of notification. CAP must be provided in a format acceptable to
26 North Sound BH-ASO. North Sound BH-ASO may extend or reduce the time allowed for
27 corrective action depending upon the nature of the situation as determined by North Sound
28 BH-ASO.

29
30 **6.2.1 CAP must include:**

- 31
32 6.2.1.1 A brief description of the findings; and
- 33 6.2.1.2 Specific actions to be taken, a timetable, a description of the monitoring to
34 be performed, the steps taken and responsible individuals that will reflect
35 the resolution of the situation.

36
37 **6.2.2 CAP may:**

38 Require modification of any Policies & Procedures by Provider relating to the
39 fulfillment of its obligations pursuant to this Contract.

40

1 6.2.3 CAP is subject to approval by North Sound BH-ASO, which may:
2

3 6.2.3.1 Accept the plan as submitted;

4 6.2.3.2 Accept the plan with specified modifications;

5 6.2.3.3 Request a modified plan; or

6 6.2.3.4 Reject the plan.
7

8 6.2.4 Provider agrees North Sound BH-ASO may initiate remedial action as outlined in
9 subsection (6.2.5) below if North Sound BH-ASO determines any of the following
10 situations exist:
11

12 6.2.4.1 If a problem exists that poses a threat to the health or safety of any person
13 or poses a threat of property damage/an incident has occurred that
14 resulted in injury or death to any person/resulted in damage to property.

15 6.2.4.2 Provider has failed to perform any of the behavioral health services
16 required in this Contract, which includes the failure to maintain the
17 required capacity as specified by North Sound BH-ASO to ensure enrolled
18 individuals receive medically necessary services, including delegated
19 functions; except, that no remedial action pursuant to subsection (6.2.5)
20 hereof shall be taken if such failure to maintain required capacity is due to
21 any interruption in, or depletion of the available amount of money to
22 Provider as described in Exhibit B of this contract for purposes of
23 performing services under this contract; however, in such an instance,
24 North Sound BH-ASO may terminate all or part of this contract on as little
25 as 30 days written notice.

26 6.2.4.3 Provider has failed to develop, produce and/or deliver to North Sound BH-
27 ASO any of the statements, reports, data, data corrections, accountings,
28 claims and/or documentation described herein, in compliance with all the
29 provisions of this Contract.

30 6.2.4.4 Provider has failed to perform any administrative function required under
31 this Contract, including delegated functions. For the purposes of this
32 section, "administrative function" is defined as any obligation other than
33 the actual provision of behavioral health services.

34 6.2.4.5 Provider has failed to implement corrective action required by the state
35 and within North Sound BH-ASO prescribed timeframes.
36

37 6.2.5 North Sound BH-ASO may impose any of the following remedial actions in response
38 to findings of situations as outlined above.
39

- 1 6.2.5.1 Withhold two (2%) percent of the next monthly payment and each monthly
2 payment thereafter until the corrective action has achieved resolution.
3 North Sound BH-ASO, at its sole discretion, may return a portion or all of
4 any payments withheld once satisfactory resolution has been achieved.
- 5 6.2.5.2 Compound withholdings identified above by an additional one-half of one
6 percent (1/2 of 2%) for each successive month during which the remedial
7 situation has not been resolved.
- 8 6.2.5.3 Revoke delegation of any function delegated under this contract.
- 9 6.2.5.5 Deny any incentive payment to which Provider might otherwise have been
10 entitled under this Contract or any other arrangement by which DBHR
11 provides incentives.
- 12 7.2.5.5 Termination for Default, as outlined in this Contract

13
14 **6.3 NOTICE REQUIREMENTS**

15 Whenever this Contract provides for notice to be provided by one (1) party to another, such
16 notice shall be in writing and directed to the chief executive office of the Provider and/or
17 project representative. Any time within which a party must take some action shall be
18 computed from the date that the notice is received by said party.
19

1 **ARTICLE SEVEN – GENERAL TERMS AND CONDITIONS FOR CONTRACTOR**

2
3 **7.1 BACKGROUND**

4 North Sound BH-ASO is an entity formed by inter-local agreement between Island, San Juan,
5 Skagit, Snohomish and Whatcom Counties, each county authority is recognized by the
6 Director of HCA (Director). These counties entered into an inter-local agreement to allow
7 North Sound BH-ASO to contract with the Director pursuant to RCW 71.24.025(18), to operate
8 a single managed system of services for persons with behavioral illness living in the service
9 area covered by Island, San Juan, Skagit, Snohomish and Whatcom Counties (Service Area).
10 North Sound BH-ASO is party to an interagency agreement with the Director, pursuant to
11 which North Sound BH-ASO has agreed to provide integrated community support, crisis
12 response services to people needing such services in its Service Area. North Sound BH-ASO,
13 through this Contract, is subcontracting with Provider for the provision of specific behavioral
14 health services as required by the agreement with the Director. Provider, by signing this
15 Contract, attests it is willing and able to provide such services in the Service Area.
16

17 **7.2 MUTUAL COMMITMENTS**

18 The parties to this Contract are mutually committed to the development of an efficient, cost
19 effective, integrated, person-centered, age specific recovery and resilience model approach to
20 the delivery of quality community behavioral health services. To that end, the parties are
21 mutually committed to maximizing the availability of resources to provide needed behavioral
22 health services in the Service Area, maximizing the portion of those resources used for the
23 provision of direct services and minimizing duplication of effort.
24

25 **7.3 ASSIGNMENT**

26 Except as otherwise provided within this Contract, this Contract may not be assigned, or
27 transferred by Provider without the express written consent of North Sound BH-ASO and any
28 attempt to transfer or assign this Contract without such consent shall be void. The terms
29 “assigned”, or “transferred” shall include change of business structure to a limited liability
30 company of any Provider Member or Affiliate Agency.
31

32 **7.4 AUTHORITY**

33 Concurrent with the execution of this Contract, Provider shall furnish North Sound BH-ASO,
34 upon request, with a copy of the explicit written authorization of its governing body to enter
35 into this Contract and accept the financial risk and responsibility to carry out all terms of this
36 Contract including the ability to pay for all expenses incurred during the contract period.
37 Likewise, concurrent with the execution of this Contract, North Sound BH-ASO shall furnish,
38 upon request, Provider with a written copy of the motion, resolution, or ordinance passed by
39 North Sound BH-ASO’s County Authorities Executive Committee authorizing North Sound BH-
40 ASO to execute this Contract.
41

1 **7.5 COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES**

2 The parties shall comply with all relevant state or federal law, policy, directive, or government
3 sponsored program requirements relating to the subject matter of this Agreement. The
4 provisions of this Agreement shall be construed in a manner that reflects consistency and
5 compliance with such laws, policies and directives. Without limiting the generality of the
6 foregoing, the parties shall comply with applicable provisions of this Agreement and the
7 Supplemental Provider Service Guide, incorporated herein:
8

- 9 7.5.1 Title XIX and Title XXI of the SSA and Title 42 CFR;
- 10 7.5.2 Americans with Disabilities Act (ADA) of 1990;
- 11 7.5.3 Title VI of the Civil Rights Act of 1964;
- 12 7.5.4 Age Discrimination Act of 1975;
- 13 7.5.5 All local, State and Federal professional and facility licensing and certification
14 requirements/standards that apply to services performed under the terms of this
15 Contract;
- 16 7.5.6 All applicable standards, orders, or requirements issued under Section 306 of the
17 Clean Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368),
18 Executive Order 11738 and Environmental Protection Agency (EPA) regulations (40
19 CFR Part 15), which prohibit the use of facilities included on the EPA List of
20 Violating Facilities. Any violations shall be reported to HCA/DSHS, DHHS and the
21 EPA.
- 22 7.5.7 Any applicable mandatory standards and policies relating to energy efficiency,
23 which are contained in the State Energy Conservation Plan, issued in compliance
24 with the federal Energy Policy and Conservation Act;
- 25 7.5.8 Those specified in RCW Title 18 for professional licensing;
- 26 7.5.9 Reporting of abuse as required by RCW 26.44.030;
- 27 7.5.10 Industrial insurance coverage as required by RCW Title 51;
- 28 7.5.11 RCW 38.52, 70.02, 71.05, 71.24 and 71.34;
- 29 7.5.12 WAC 245-341 and 388-865;
- 30 7.5.13 Office of Management and Budget (OMB) Circulars, Budget, Accounting and
31 Reporting System (BARS) Manual and BARS Supplemental Behavioral Health
32 Instructions;
- 33 7.5.14 Any applicable federal and state laws that pertain to individual’s rights. Provider
34 shall ensure its staff takes those rights into account when furnishing services to
35 individuals.
- 36 7.5.15 Provider and any subcontractors must comply with 42-USC 1396u-2 and must not
37 knowingly have a director, officer, partner, or person with a beneficial ownership
38 of more than five (5%) of Provider, BHA or subcontractor’s equity, or an employee,
39 Provider, or consultant who is significant or material to the provision of services
40 under this Contract, who has been, or is affiliated with someone who has been,
41 debarred, suspended, or otherwise excluded by any federal agency.
- 42 7.5.16 Federal and State non-discrimination laws and regulations;
- 43 7.5.17 HIPAA (45 CFR parts 160-164);
- 44 7.5.18 Confidentiality of Substance Use Disorder (SUD) 42 CFR Part 2;

1 7.5.19 Federal funds must not be used for any lobbying activities.
2

3 If Provider is in violation of a federal law or regulation and Federal Financial Participation is
4 recouped from North Sound BH-ASO, Provider shall reimburse the federal amount to North
5 Sound BH-ASO within 20 days of such recoupment.
6

7 Upon notification from HCA, North Sound BH-ASO shall notify Provider in writing of
8 changes/modifications in DOC contract requirements.
9

10 7.6 **COMPLIANCE WITH NORTH SOUND BH-ASO OPERATIONAL GUIDE**

11 Provider shall comply with all North Sound BH-ASO Supplemental Provider Service Guide and
12 operational policies that pertain to the delivery of services under this Contract that are in
13 effect when the Contract is signed or come into effect during the term of the Contract. North
14 Sound BH-ASO shall notify Provider of any proposed change in federal or state requirements
15 affecting this Contract immediately upon North Sound BH-ASO receiving knowledge of such
16 change.
17

18 7.7 **CONFIDENTIALITY OF PERSONAL INFORMATION**

19 Provider shall protect all Personal Information, records and data from unauthorized disclosure
20 in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05, 71.34 and for
21 individuals receiving SUD services, in accordance with 42 CFR Part 2 and WAC 388-877B.
22 Provider shall have a process in place to ensure all components of its provider network and
23 system understand and comply with confidentiality requirements for publicly funded
24 behavioral health services. Pursuant to 42 CFR §431.301 and §431.302, personal information
25 concerning applicants and recipients may be disclosed for purposes directly connected with
26 the administration of this Contract and the State Medicaid Plan. Provider shall read and
27 comply with all HIPAA policies.
28

29 7.8 **CONTRACT PERFORMANCE/ENFORCEMENT**

30 North Sound BH-ASO shall be vested with the rights of a third-party beneficiary, including the
31 "cut through" right to enforce performance should Provider be unwilling or unable to enforce
32 action on the part of its subcontractor(s). In the event Provider dissolves or otherwise
33 discontinues operations, North Sound BH-ASO may, at its sole option, assume the right to
34 enforce the terms and conditions of this Contract directly with subcontractors; provided North
35 Sound BH-ASO keeps Provider reasonably informed concerning such enforcement. Provider
36 shall include this clause in its contracts with its subcontractors. In the event of the dissolution
37 of Provider, North Sound BH-ASO's rights in indemnification shall survive.
38

39 7.9 **COOPERATION**

40 The parties to this Contract shall cooperate in good faith to effectuate the terms and
41 conditions of this Contract.
42

1 **7.10 DEBARMENT CERTIFICATION**

2 The Provider, by signature to this Contract, certifies Provider is not presently debarred,
3 suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any
4 Federal department or agency from participating in transactions (Debarred).

5
6 The Provider agrees to include the above requirement in any and all Subcontracts into which it
7 enters concerning the performance of services hereunder, and also agrees that it shall not
8 employ debarred individuals or Subcontract with any debarred providers, persons, or entities.
9

10 The Provider shall immediately notify North Sound BH-ASO if, during the term of this Contract,
11 the Provider becomes debarred. North Sound BH-ASO may immediately terminate this
12 Contract by providing Provider written notice in accord with Subsection 6.3 of this Contract if
13 the Provider becomes debarred during the term hereof.
14

15 **7.11 EXCLUDED PARTIES**

16 Provider is prohibited from paying with funds received under this Contract for goods and
17 services furnished, ordered, or prescribed by excluded individuals and entities SSA section
18 1903(i)(2) of the Act; 42 CFR 455.104, 455.106 and 1001.1901(b).
19

20 Provider shall monitor for excluded individuals and entities by:

- 21
22 7.11.1 Screening Provider and subcontractor’s employees and individuals and entities with
23 an ownership or control interest for excluded individuals and entities prior to
24 entering into a contractual or other relationship where the individual or entity would
25 benefit directly or indirectly from funds received under this Contract.
- 26 7.11.2 Screening monthly newly added Provider and subcontractor’s employees and
27 individuals and entities with an ownership or control interest for excluded individuals
28 and entities that would benefit directly or indirectly from funds received under this
29 Contract.
- 30 7.11.3 Screening monthly Provider and subcontractor’s employees and individuals and
31 entities with an ownership or control interest that would benefit from funds received
32 under this Contract for newly added excluded individuals and entities.
33

34 Report to North Sound BH-ASO:

- 35
36 7.11.4 Any excluded individuals and entities discovered in the screening within 10 business
37 days;
- 38 7.11.5 Any payments made by Provider that directly or indirectly benefit excluded
39 individuals and entities and the recovery of such payments;
- 40 7.11.6 Any actions taken by Provider to terminate relationships with Provider and
41 subcontractor’s employees and individuals with an ownership or control interest
42 discovered in the screening;

- 1 7.11.7 Any Provider and subcontractor's employees and individuals with an ownership or
2 control interest convicted of any criminal or civil offense described in SSA section
3 1128 within 10 business days of Provider becoming aware of the conviction;
4 7.11.8 Any subcontractor terminated for cause within 10 business days of the effective date
5 of termination to include full details of the reason for termination;
6 7.11.9 Any Provider and subcontractor's individuals and entities with an ownership or
7 control interest.

8
9 Provider must provide a list with details of ownership and control no later than 30 days from
10 the date of ratification and shall keep the list up-to-date thereafter. If the provider is a
11 government entity this requirement does not apply.

12
13 Provider will not make any payments for goods or services that directly or indirectly benefit
14 any excluded individual or entity. Provider will immediately recover any payments for goods
15 and services that benefit excluded individuals and entities it discovers.

16
17 Provider will immediately terminate any employment, contractual and control relationships
18 with an excluded individual and entity it discovers.

19
20 Civil monetary penalties may be imposed against Provider if it employs or enters into a
21 contract with an excluded individual or entity to provide goods or services to enrollees (SSA
22 section 1128A(a)(6) and 42 CFR 1003.102(a)(2)).

23
24 An individual or entity is considered to have an ownership or control interest if they have
25 direct or indirect ownership of five percent (5%) or more, or are a managing employee (i.e., a
26 general manager, business manager, administrator, or director) who exercises operational or
27 managerial control or who directly or indirectly conducts day-to-day operations (SSA section
28 1126(b), 42 CFR 455.104(a) and 1001.1001(a)(1)).

29
30 In addition, if North Sound BH-ASO/HCA notifies Provider that an individual or entity is
31 excluded from participation by HCA, Provider shall terminate all beneficial, employment,
32 contractual and control relationships with the excluded individual or entity immediately.

33
34 The list of excluded individuals will be found at: <http://exclusions.oig.hhs.gov/>.

35
36 SSA section 1128 will be found at: http://www.ssa.gov/OP_Home/ssact/title11/1128.htm.

37
38 **7.12 DECLARATION THAT INDIVIDUALS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH**
39 **PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

40 Although North Sound BH-ASO, Provider and subcontractors mutually recognize that services
41 under this Contract may be provided by Provider and subcontractors to individuals under the
42 Medicaid program, RCW 71.05 and 71.34 and the Community Behavioral Health Services Act,
43 RCW 71.24, it is not the intention of either North Sound BH-ASO or Provider, that such
44 individuals, or any other persons, occupy the position of intended third-party beneficiaries of

1 the obligations assumed by either party to this Contract. Such third parties shall have no right
2 to enforce this Contract.
3

4 **7.13 EXECUTION, AMENDMENT AND WAIVER**

5 This Contract shall be binding on all parties only upon signature by authorized representatives
6 of each party. This Contract or any provision may be amended during the contract period, if
7 circumstances warrant, by a written amendment executed by all parties. Only North Sound
8 BH-ASO's Program Administrator or designee has authority to waive any provision of this
9 Contract on behalf of North Sound BH-ASO.
10

11 **7.14 HEADINGS AND CAPTIONS**

12 The headings and captions used in this Contract are for reference and convenience only and in
13 no way define, limit, or decide the scope or intent of any provisions or sections of this
14 Contract.
15

16 **7.15 INDEMNIFICATION**

17 Provider shall be responsible for and shall indemnify and hold North Sound BH-ASO harmless
18 (including all costs and attorney fees) from all claims for personal injury, property damage
19 and/or disclosure of confidential information, including claims against North Sound BH-ASO
20 for the negligent hiring, retention and/or supervision of Provider and/or from the imposition
21 of governmental fines or penalties resulting from the acts or omissions of Provider and its
22 subcontractors related to the performance of this contract. North Sound BH-ASO shall be
23 responsible and shall indemnify and hold Provider harmless (including all costs and attorney
24 fees) from all claims for personal injury, property damage and disclosure of confidential
25 information and from the imposition of governmental fines or penalties resulting from the
26 acts or omissions of North Sound BH-ASO. Except to the extent caused by the gross
27 negligence and/or willful misconduct of North Sound BH-ASO, Provider shall indemnify and
28 hold North Sound BH-ASO harmless from any claims made by non-participating BHAs related
29 to the provision of services under this Contract. For the purposes of these indemnifications,
30 the Parties specifically and expressly waive any immunity granted under the Washington
31 Industrial Insurance Act, RCW Title 51. This waiver has been mutually negotiated and agreed
32 to by the Parties. The provision of this section shall survive the expiration or termination of
33 the Contract.
34

35 **7.16 INDEPENDENT CONTRACTOR FOR NORTH SOUND BH-ASO**

36 The parties intend that an independent contractor relationship be created by this contract.
37 Provider acknowledges that Provider, its employees, or subcontractors are not officers,
38 employees, or agents of North Sound BH-ASO. Provider shall not hold Provider, Provider's
39 employees and subcontractors out as, nor claim status as, officers, employees, or agents of
40 North Sound BH-ASO. Provider shall not claim for Provider, Provider's employees, or
41 subcontractors any rights, privileges, or benefits which would accrue to an employee of North
42 Sound BH-ASO. Provider shall indemnify and hold North Sound BH-ASO harmless from all
43 obligations to pay or withhold Federal or State taxes or contributions on behalf of Provider,
44 Provider's employees and subcontractors unless specified in this Contract.

1
2 **7.17 INSURANCE**

3 North Sound BH-ASO certifies it is a member of Washington Governmental Risk Pool for all
4 exposure to tort liability, general liability, property damage liability and vehicle liability, if
5 applicable, as provided by RCW 43.19.
6

7 Provider maintains a fully funded self-insurance program as defined in Snohomish County
8 Code 2.90 for the protection and handling of Provider's liabilities, including injuries to persons
9 and damage to property, automobile liability, professional liability, and workers
10 compensation. The self-funded program will respond if an incident occurs involving negligence
11 of Provider employees acting in the scope of their employment. North Sound BH-ASO
12 acknowledges, agrees and understands that Provider is self-funded for all its liability
13 exposures. Provider agrees, at its own expense, to maintain, through its self-funded program,
14 coverage for all of its liability exposures for this Contract. Provider agrees to provide North
15 Sound BH-ASO at least 30 calendar days prior written notice of any material change in its self-
16 funded program and, if requested, will provide a letter of self-insurance as adequate proof of
17 coverage. North Sound BH-ASO further acknowledges, agrees and understands that Provider
18 does not purchase Commercial General Liability insurance and is a self-insured governmental
19 entity; therefore, Provider does not have the ability to add any party as an additional insured.
20

21 **7.18 INTEGRATION**

22 This Contract, including Exhibits contains all the terms and conditions agreed upon by the
23 parties. No other understandings, oral or otherwise, regarding the subject matter of this
24 Contract shall be deemed to exist or to bind any of the parties hereto.

25 **7.19 MAINTENANCE OF RECORDS**

26 Provider shall prepare, maintain and retain accurate records, including appropriate medical
27 records and administrative and financial records, related to this Agreement and to Services
28 provided hereunder in accordance with industry standards, applicable federal and state
29 statutes and regulations, and state and federal sponsored health program requirements. Such
30 records shall be maintained for the maximum period required by federal or state law. North
31 Sound BH-ASO shall have continued access to Provider's records as necessary for North Sound
32 BH-ASO to perform its obligations hereunder, to comply with federal and state laws and
33 regulations, and to ensure compliance with applicable accreditation and HCA requirements.
34

35 Provider shall completely and accurately report encounter data to North Sound BH-ASO and
36 shall certify the accuracy and completeness of all encounter data submitted. Provider shall
37 ensure that it and all of its subcontractors that are required to report encounter data, have
38 the capacity to submit all data necessary to enable the North Sound BH-ASO to meet the
39 reporting requirements in the Encounter Data Transaction Guide published by HCA, or other
40 requirements HCA may develop and impose on North Sound BH-ASO or Provider.
41

42 Upon North Sound BH-ASO's request or under North Sound BH-ASO's state and federal
43 sponsored health programs and associated contracts, Provider shall provide to North Sound
44 BH-ASO direct access and/or copies of all information, encounter data, statistical data, and

1 treatment records pertaining to Members who receive Services hereunder, or in conjunction
2 with claims reviews, quality improvement programs, grievances and appeals and peer
3 reviews.
4

5 **7.20 NOTICE OF AMENDMENT**

6 Except when a longer period is requested by applicable law, North Sound BH-ASO may amend
7 this Agreement upon 30 days prior written notice to Provider. If Provider does not deliver to
8 North Sound BH-ASO a written notice of rejection of the amendment within that 30-day
9 period, the amendment shall be deemed accepted by and shall be binding upon Provider.
10

11 **7.21 NO WAIVER OF RIGHTS**

12 A failure by either party to exercise its rights under this Contract shall not preclude that party
13 from subsequent exercise of such rights and shall not constitute a waiver of any other rights
14 under this Contract unless stated to be such in writing signed by an authorized representative
15 of the party and attached to the original Contract.
16

17 Waiver of any breach of any provision of this Contract shall not be deemed to be a waiver of
18 any subsequent breach and shall not be construed to be a modification of the terms and
19 conditions of this Contract.
20

21 **7.22 ONGOING SERVICES**

22 Provider and its subcontractors shall ensure in the event of labor disputes or job actions,
23 including work slowdowns, such as "sick outs", or other activities within its service BHA
24 network, uninterrupted services shall be available as required by the terms of this Contract.
25

26 **7.23 OVERPAYMENTS**

27 In the event Provider fails to comply with any of the terms and conditions of this Contract and
28 results in an overpayment, North Sound BH-ASO may recover the amount due HCA, MCO, or
29 other federal or state agency subject to dispute resolution as set forth in the contract. In the
30 case of overpayment, Provider shall cooperate in the recoupment process and return to North
31 Sound BH-ASO the amount due upon demand.
32

33 **7.24 OWNERSHIP OF MATERIALS**

34 The parties to this Contract hereby mutually agree that if any patentable or copyrightable
35 material or article should result from the work described herein, all rights accruing from such
36 material or article shall be the sole property of North Sound BH-ASO. The North Sound BH-
37 ASO agrees to and does hereby grant to the Provider, irrevocable, nonexclusive, and royalty-
38 free license to use, according to law, any material or article and use any method that may be
39 developed as part of the work under this Contract.
40

41 The foregoing products license shall not apply to existing training materials, consulting aids,
42 checklists, and other materials and documents of the Provider which are modified for use in
43 the performance of this Contract.
44

1 The foregoing provisions of this section shall not apply to existing training materials,
2 consulting aids, checklists, and other materials and documents of the Provider that are not
3 modified for use in the performance of this Contract.
4

5 **7.25 PERFORMANCE**

6 Provider shall furnish the necessary personnel, materials/behavioral health services and
7 otherwise do all things for, or incidental to, the performance of the work set forth here and as
8 attached. Unless specifically stated, Provider is responsible for performing or ensuring all
9 fiscal and program responsibilities required in this contract. No subcontract will terminate the
10 legal responsibility of Provider to perform the terms of this Contract.
11

12 **7.26 RESOLUTION OF DISPUTES**

13 Each Party shall cooperate in good faith and deal fairly in its performance hereunder to
14 accomplish the Parties' objectives and avoid disputes. The Parties will promptly meet and
15 confer to resolve any problems that arise. If a dispute is not resolved, the Parties will
16 participate in and equally share the expense of a mediation conducted by a neutral third-party
17 professional prior to initiating litigation or arbitration. If the dispute is not resolved through
18 mediation, the parties agree to litigate their dispute in Skagit County Superior Court. This
19 Agreement shall be governed by laws of the State of Washington, both as to interpretation
20 and performance.
21

22 **7.27 SEVERABILITY AND CONFORMITY**

23 The provisions of this Contract are severable. If any provision of this Contract, including any
24 provision of any document incorporated by reference is held invalid by any court, that
25 invalidity shall not affect the other provisions of this Contract and the invalid provision shall
26 be considered modified to conform to existing law.
27

28 **7.28 SINGLE AUDIT ACT**

29 If Provider or its subcontractor is a subrecipient of Federal awards as defined by OMB Uniform
30 Guidance Subpart F, Provider and its subcontractors shall maintain records that identify all
31 Federal funds received and expended. Such funds shall be identified by the appropriate OMB
32 Catalog of Federal Domestic Assistance titles and numbers, award names, award numbers,
33 and award years (if awards are for research and development), as well as, names of the
34 Federal agencies. Provider and its subcontractors shall make Provider and its subcontractor's
35 records available for review or audit by officials of the Federal awarding agency, the General
36 Accounting Office and DSHS. Provider and its subcontractors shall incorporate OMB Uniform
37 Guidance Subpart F audit requirements into all contracts between Provider and its
38 subcontractors who are sub recipients. Provider and its subcontractors shall comply with any
39 future amendments to OMB Uniform Guidance Subpart F and any successor or replacement
40 Circular or regulation.
41

42 If Provider/subcontractors are a sub recipient and expends \$750,000 or more in Federal
43 awards from any/all sources in any fiscal year, Provider and applicable subcontractors shall
44 procure and pay for a single or program-specific audit for that fiscal year. Upon completion of

1 each audit, Provider and applicable subcontractors shall submit to North Sound BH-ASO's
2 Program Administrator the data collection form and reporting package specified in OMB
3 Uniform Guidance Subpart F, reports required by the program-specific audit guide, if
4 applicable and a copy of any management letters issued by the auditor.
5

6 For purposes of "sub recipient" status under the rules of OMB Uniform Guidance Subpart F,
7 Medicaid payments to a sub recipient for providing patient care services to Medicaid eligible
8 individuals are not considered Federal awards expended under this part of the rule unless a
9 State requires the fund to be treated as Federal awards expended because reimbursement is
10 on a cost-reimbursement basis.
11

12 7.29 **SUBCONTRACTS**

13 Provider may subcontract services to be provided under this Contract subject to the following
14 requirements.

15 7.29.2 Provider shall be responsible for the acts and omissions of any subcontractor.

16 7.29.3 Provider must ensure the subcontractor neither employs any person nor contracts
17 with any person or BHA excluded from participation in federal health care programs
18 under either 42 USC 1320a-7 (§§1128 or 1128A SSA) or debarred or suspended per
19 this Contract's General Terms and Conditions.

20 7.29.4 Provider shall require subcontractors to comply with all applicable federal and state
21 laws, regulations and operational policies as specified in this Contract.

22 7.29.5 Provider shall require subcontractors to comply with all applicable North Sound BH-
23 ASO operational policies as applicable.

24 7.29.6 Subcontracts for the provision of behavioral health services must require
25 subcontractors to provide individuals access to translated information and
26 interpreter services.

27 7.29.7 Provider shall ensure a process is in place to demonstrate all third-party resources
28 are identified and pursued.

29 7.29.8 Provider shall oversee, be accountable for and monitor all functions and
30 responsibilities delegated to a subcontractor for conformance with any applicable
31 statement of work in this Contract on an ongoing basis including written reviews.

32 7.29.9 Provider will monitor performance of the subcontractors on an annual basis and
33 notify North Sound BH-ASO of any identified deficiencies or areas for improvement
34 requiring corrective action by Provider.

35 7.29.10 The Provider agrees to include the following language verbatim in every subcontract
36 for services which relate to the subject matter of this Contract:
37

38 "Subcontractor shall protect, defend, indemnify, and hold harmless North Sound BH-ASO its
39 officers, employees and agents from any and all costs, claims, judgments, and/or awards of
40 damages arising out of, or in any way resulting from the negligent act or omissions of
41 subcontractor, its officers, employees, and/or agents in connection with or in support of this
42 Contract. Subcontractor expressly agrees and understands that North Sound BH-ASO is a
43 third-party beneficiary to this Contract and shall have the right to bring an action against
44 subcontractor to enforce the provisions of this paragraph."

1
2 Those written subcontracts shall:

- 3
4 7.29.11 Require subcontractors to hold all necessary licenses, certifications/permits as
5 required by law for the performance of the services to be performed under this
6 Contract;
7 7.29.12 Require subcontractors to notify Provider in the event of a change in status of any
8 required license or certification;
9 7.29.13 Include clear means to revoke delegation, impose corrective action, or take other
10 remedial actions if the subcontractor fails to comply with the terms of the
11 subcontract;
12 7.29.14 Require the subcontractor to correct any areas of deficiencies in the
13 subcontractor's performance that are identified by Provider, North Sound BH-
14 ASO/HCA;
15 7.29.15 Require best efforts to provide written or oral notification within 15 business days
16 of termination of a Primary Care Provider (PCP) to individuals currently open for
17 services who had received a service from the affected PCP in the previous 60 days.
18 Notification must be verifiable in the individual's medical record at the
19 subcontractor.

20 **7.30 SURVIVABILITY**

21 The terms and conditions contained in this Contract by their sense and context are intended
22 to survive the expiration of this Contract and shall so survive. Surviving terms include but are
23 not limited to: Financial Terms and Conditions, Single Audit Act, Contract Performance and
24 Enforcement, Confidentiality of Individual Information, Resolution of Disputes,
25 Indemnification, Oversight Authority, Maintenance of Records, Ownership of Materials and
26 Contract Administration Warranties and Survivability.

27 **7.31 TREATMENT OF INDIVIDUAL'S PROPERTY**

28 Unless otherwise provided in this Contract, Provider shall ensure any adult individual receiving
29 services from Provider under this Contract has unrestricted access to the individual's personal
30 property. Provider shall not interfere with any adult individual's ownership, possession, or
31 use of the individual's property unless clinically indicated. Provider shall provide individuals
32 under age 18 with reasonable access to their personal property that is appropriate to the
33 individual's age, development and needs. Upon termination of this Contract, Provider shall
34 immediately release to the individual and/or guardian or custodian all the individual's
35 personal property.
36

37 **7.32 WARRANTIES**

38 The parties' obligations are warranted and represented by each to be individually binding for
39 the benefit of the other party. Provider warrants and represents it is able to perform its
40 obligations set forth in this Contract and such obligations are binding upon Provider and other
41 subcontractors for the benefit of North Sound BH-ASO.

1 7.33 **CONTRACT CERTIFICATION**

2 By signing this Contract, the Provider certifies that in addition to agreeing to the terms and
3 conditions provided herein, the Provider certifies that it has read and understands the
4 contracting requirements and agrees to comply with all of the contract terms and conditions
5 detailed on this contract and exhibits incorporated herein by reference.

6 The Program Administrator for North Sound BH-ASO, LLC is:

7 Margaret Rojas, Assistant Director
8 North Sound BH-ASO
9 2021 E. College Way, Suite 101
10 Mount Vernon, WA 98273-5462
11 fiscal@nsbhaso.org

12 The Program Administrator for Snohomish County is:

13
14 Ken Klein, Executive Director
15 Snohomish County
16 3000 Rockefeller Ave., M/S 305,
17 Everett, WA 98201
18

19 Changes shall be provided to the other party in writing within 10 business days.
20

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IN WITNESS WHEREOF, the parties hereby agree to the terms and conditions of this Contract:

NORTH SOUND BH-ASO

SNOHOMISH COUNTY

Margaret Rojas Digitally signed by Margaret
Rojas
Date: 2023.10.19 13:09:16
-07'00' **10/19/23**

Margaret Rojas Date
Assistant Director

Ken Klein Date
Executive Director